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November 18, 2014

Chairman Bob Stump
 Commissioner Gary Pierce
 Commissioner Brenda Burns
 Commissioner Susan Bitter Smith
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Arizona Corporation Commission
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 Phoenix, AZ 85007-2996

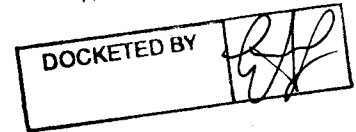
Arizona Corporation Commission
DOCKETED

NOV 18 2014

Re: Docket No. E-00000XX-13-0214

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Chairman Stump and Commissioners,



Thank you for the opportunity to comment on this topic. Weatherization and Energy Efficiency are extremely important programs to my community, and I appreciate the chance to inform you of the benefits we've realized from them.

The need in our community for assistance programs, such as weatherization, is substantial. More than 82,000 households in Apache, Coconino, Navajo, and Yavapi counties are eligible for weatherization.¹ While the Great Recession has ended, the economy is not yet back to where it was before the crisis. Although the ratio of job-seekers to available jobs has decreased from its peak in 2010, half the people who are willing and able to work are unable to find employment.² Locally, 1 in 4 children in Arizona are in poverty, with even higher rates in Maricopa and Pima counties. The childhood poverty rate in Navajo County is 36.5%, and in Apache county it's 40%, far above the state average.³

The energy burden of the population we serve is significant. Energy burden, or the income spent on utilities as a percentage of total income, is much larger for low-income populations than for the population at large. Generally, an energy burden of 6% is considered affordable;⁴ limited-income communities in Arizona have an energy burden of 17%. Families at the poverty line in Apache, Coconino, and Navajo counties pay more than a fifth of their income to cover their utility bills.⁵ These extreme energy burdens result in critical trade-offs made in family budgets: children in poverty who don't receive energy assistance experience a significant decrease in nutrition,⁶ and rates of adults who

¹ Selected Housing Characteristic & Poverty Status in the past 12 months, 2008-2012 American Community Survey 5-Year Estimates

² Gould, Elisa. "Job Seekers Outnumber Jobs by 2-to-1." October 7, 2014. Available Online:

<http://www.epi.org/blog/job-seekers-outnumber-jobs-2-1/>

³ Child poverty by county (ACS 5-year), 2008-2012 American Community Survey 5-Year Estimates

⁴ "Finding Data to Frame and Document a Low-Income Home Energy 'Needs Analysis.'" FSC'S LAW & ECONOMICS INSIGHTS. Available Online:

http://www.fsconline.com/downloads/FSC%20Newsletter/news2006/n2006_0102.pdf

⁵ Arizona 2012 Home Energy Affordability Gap, http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html

⁶ Franks, Deborah A. et al. "Heat or Eat: The Low Income Home Energy Assistance Program and Nutritional and Health Risks Among Children Less Than 3 Years of Age" Pediatrics Vol. 118 No. 5 November 1, 2006

pp. e1293-e1302 (doi: 10.1542/peds.2005-2943)

need medical care or prescription medication but couldn't afford it have shot up in recent years and remain above pre-recession levels.⁷

With so much need, weatherization has been a lifeline for our communities. As you know, weatherization entails improving a residence's building envelope, making the home energy efficient, repairing or replacing appliances, and addressing health and safety issues. This program is able to cut utility bills by a third, saving hundreds of dollars annually and bringing down energy burdens to a manageable level.⁸

Thousands of homes have been weatherized in Arizona in the past few years,⁹ with hundreds in Apache county alone. These improvements couldn't be realized without the coordination of federal and utility weatherization programs, with a third of all weatherization funding from ratepayer-funded programs.¹⁰ If weatherization or the Standards that provide it are altered, revised, or revoked every two years, it will be a severe hindrance to our ability to continue to provide this valuable program.

The Energy Efficiency Standard has kept utility bills lower for all ratepayers, and it's provided funding for weatherization, improving the lives of thousands of low-income Arizonans. Please protect and maintain this valuable and effective standard.

Sincerely,

Bob Baca

Northern Arizona Council of Governments

Weatherization Program Manager

⁷ Stanford Center on Poverty and Inequality, using data from the National Health Interview Survey

⁸ "Weatherized Homes Saving Money for Families Across the U.S." January 6, 2012. Available Online: <http://energy.gov/articles/weatherized-homes-saving-money-families-across-us>

⁹ "ARRA Homes Weatherized by Grantee." Available Online: <http://energy.gov/downloads/arra-homes-weatherized-grantee>, DSM Reports filed with the Arizona Corporation Commission (E-00000U-14-0049, E-00000U-13-0031, E-00000U-12-0068)

¹⁰ "Funding for the WAP Network in 2013 Totaling \$959 Million." **Economic Opportunity Studies**. Available Online: <http://www.opportunitystudies.org/2014/06/11/june-9-2014-newsletter/>